

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Tajikistan	Project Title:	Reconnection to Central Asian Power System
Lending/Financing Modality:	Grant	Department/ Division:	CWEN/CWRD

I. POVERTY IMPACT AND SOCIAL DIMENSIONS
<p>A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy</p> <p>Ensuring energy security and efficient use of electricity is a key strategic development objective of the Republic of Tajikistan under its National Development Strategy for the period up to 2030.ⁱ To achieve the goal of improving the standards of living of the population based on sustainable economic development, one of the main priorities is the development of internal and external energy infrastructure. This goal is aligned with Tajikistan’s Country Partnership Strategy 2016-2020ⁱⁱ, where investment in energy and transport is one of the three pillars of inclusive growth. The project is envisaged to help Tajikistan increase electricity exports to neighboring countries particularly during summer surplus months, in order to diversify markets. ADB-financed transmission lines made it possible to export electricity to Afghanistan since 2013. Continued investments in different regional trade initiatives will increase the country’s energy exports and contribute to widening the narrow economic base. The project is well-aligned with these objectives, with its overall goal of improving regional energy resource utilization among the countries within the Central Asia Power System (CAPS) – Tajikistan, Uzbekistan, Kyrgyz Republic, and Kazakhstan. Mutually beneficial integration and trade in energy and energy resources is expected to accelerate economic growth. The project is also consistent with ADB’s Midterm Review of Strategy 2020, which places emphasis on regional integration and infrastructure development.</p>
<p>B. Poverty Targeting</p> <p><input checked="" type="checkbox"/> General intervention <input type="checkbox"/> Individual or household (TI-H) <input type="checkbox"/> Geographic (TI-G) <input type="checkbox"/> Non-income MDGs (TI-M1, M2, etc.)</p> <p>Improving energy infrastructure and intensifying regional energy resource utilization is expected to significantly contribute to economic development and provide a sustainable basis for poverty reduction, which will benefit the whole population.</p>
<p>C. Poverty and Social Analysis</p> <p>1. Key issues and potential beneficiaries.</p> <p>There has been a sustained poverty reduction in Tajikistan for the past years, as a result of significant progress in economic development. The poverty rate in 2015 was 31%, a significant drop from 53% in 2007, and 81% in 1999. Extreme poverty fell from 20% in 2012 to 16.8% in 2014.ⁱⁱⁱ However, regional disparities persist. In 2013, when national poverty incidence was 35.6%, urban poverty rate was 29%, while rural poverty was at 40%.^{iv} Hence, almost half of the rural population lives in poverty. Food security and undernourishment remain critical issues, exacerbated by heavy reliance on agriculture and natural resources and vulnerability to extreme weather events. Only 20% of Tajikistan’s rural population is food secure.^v Access to safe drinking water and basic sanitation has lagged, partly due to dispersed population. Over half the rural population (around 3.5 million) does not have access to safe drinking water, and there is virtually no access (0.2%) to sanitation facilities in rural areas.^{vi} Unreliable energy supply, especially during winter, results in widespread human suffering particularly in rural areas. Winter energy shortage in 2015 was estimated at 9% of annual consumption. During the 2014–2015 heating season, while Dushanbe and regional centers received nearly 24-hour power supply, majority of the country’s non-urban areas including the Sugdh region, Khatlon region, and Districts of Republican Subordination received only 10 hours of daily power supply.^{vii} Improving energy infrastructure will increase the reliability of electricity supply, which will benefit all citizens, especially those in the rural areas. It will boost energy-based entrepreneurship. This, together with increased regional trade resulting from enhanced interconnection with Uzbekistan and other neighboring countries, will help accelerate economic growth and contribute in reducing poverty.</p> <p>2. Impact channels and expected systemic changes.</p> <p>The project aims to improve the regional energy resource utilization among CAPS countries. To achieve this, the project will: (i) Synchronize Tajikistan grid with Uzbekistan grid through installation of modern relay protection equipment; (ii) Expand Tajikistan interconnection with Uzbekistan through establishing 2 new 500kV interconnections; and (iii) Improve capacity for stable parallel operation through training of Barqi Tojik staff on stability and protection management operation. Expanding interconnection and synchronization of Tajikistan grid with that of Uzbekistan will facilitate the export of surplus electricity not only to Uzbekistan but to other neighboring countries such as Kazakhstan and Kyrgyz Republic. It will also help improve energy efficiency and reliability within the country, as well as efficiency of regional energy resource utilization. These will benefit the citizens in the form of increased</p>

gross domestic income, more employment opportunities, and better access to basic services. Improving the capacity of staff on stability and protection management operation will decrease system losses and enhance service provision, which will benefit end consumers. This will also inform the upcoming reorganization of Barqi Tojik to streamline its functions and provide more efficient energy services.

3. Focus of (and resources allocated in) the transaction TA or due diligence. As part of due diligence, the project will look into social, poverty and gender impacts of previous ADB-supported energy projects in the country to identify lessons learned and good practices. Issues to be reviewed include the quality of collection of sex-disaggregated data, ensuring equal opportunities for women staff of Barqi Tojik in all capacity building activities, and measures to increase women's participation in the sector. Lessons learned will inform the upcoming restructuring of the organization, and input into the programs and practices of resulting structures. Other issues that may be identified during the review include actions taken to address the poor and vulnerable households' constraints in accessing electricity and in availing of energy-related services.

4. Specific analysis for policy-based lending. N/A

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program?

Women are disproportionately affected by limited and unreliable access to electricity due to their household roles and more limited access to resources. Women's gender roles such as cooking, washing/ironing, keeping the home warm, heating water to bathe children, or even to help children with their schoolwork at night, become arduous when energy resources for cooking, lighting, and use of appliances are insufficient or unreliable. The high cost of gas (for cooking) and coal (for heating), cause poorer households to resort to the use traditional fuels. The task of collecting firewood, pressing dry dung, and preparing briquettes from coal dust is time consuming and arduous, exacerbating women's and girls' time poverty. In some villages in the Pamir region, women and children have to travel 15 or more kilometers for fuel, sometimes spending the night in the field.^{viii} The use of unclean solid fuels for cooking, as well as insufficient heating, is also the main cause of respiratory problems, especially in women, children, and the elderly, who spend more time in the home. Insufficient energy supply also negatively impacts businesses, especially small-sized and home-based enterprises, in which women are typically involved. In terms of participation in the energy sector, women comprise only a very small proportion - the average number of men employed in electricity, gas, and water supply is more than five times higher than the average number of women.^{ix}

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making? Yes No

The project can only provide indirect benefits to women through improved access to energy resulting in reduced time poverty, improved health outcomes with the use of safer energy sources, and increased access to income earning opportunities. Rural electricity services help non-agricultural enterprises (such as the food processing, handicrafts, food production), and stimulate more opportunities for generating cash and contribute to the rural economy. During the TRTA, efforts will be made to further identify potential positive impacts on women, specifically in the areas of capacity building and increased participation in the sector.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No

Influx of workers during civil works may increase risks of prostitution, HIV/AIDS, and human trafficking, which may affect young women/girls in the surrounding and neighboring communities. However, these risks will be mitigated by actions directly provided for in the civil works contracts, such as provision of education and training to discourage the use of commercial sex, provision of basic health services in the prevention of sexually transmitted diseases, and ensuring a safe and respectful work camp. Contractors will also be bound to ensure that no child labor nor forced labor will be used; and that all workers doing the same kind of work will be paid equally regardless of sex, race/ethnicity, or cultural affiliation.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

II. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. The main stakeholders of the project would include local residents, central and local governments specifically in the energy sector, civil society organizations and the people to be affected by civil works (if any). The potential primary beneficiaries of the project are citizens who will benefit from improved and reliable energy access especially during winter. The people will also benefit from increased gross domestic income and improved service provision expected to result from increased energy exports and improved capacity of Barqi Tojik staff. The affected groups and individuals will be consulted through focus group discussions and consultation meetings during project design.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable, and excluded groups? What issues in the project design require participation of the poor and excluded? Meetings with stakeholders, including local governments, NGOs and community-based organizations, and consultations with local communities and/or affected people, will be conducted. Issues to be discussed include resettlement compensation of affected persons (if any), protection of communities from construction and environmental disturbances, and safety hazards to workers and the public during civil works, including how to minimize risks of HIV/AIDS and human trafficking. All consultations will ensure the significant and meaningful participation of women.

3. What are the key, active, and relevant civil society organizations (CSOs) in the project area? What is the level of civil society organization participation in the project design?

Information generation and sharing (M) Consultation (M) Collaboration Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how should they be addressed? Yes No

III. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category A B C FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? Yes No Minor land acquisition and resettlement impacts are expected under the establishment of two new 500kV interconnection points with CAPS.

2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process?

Resettlement plan Resettlement framework Social impact matrix^x

Environmental and social management system arrangement None

B. Indigenous Peoples Category A B C FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No No indigenous people exist as per ADB SPS definition in the project sites.

3. Will the project require broad community support of affected indigenous communities? Yes No

4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process?

Indigenous peoples plan Indigenous peoples planning framework Social impact matrix

Environmental and social management system arrangement None

IV. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

Creating decent jobs and employment (L) Adhering to core labor standards (L) Labor retrenchment

Spread of communicable diseases, including HIV/AIDS (L) Increase in human trafficking (L)

Affordability

Increase in unplanned migration Increase in vulnerability to natural disasters Creating political instability

Creating internal social conflicts Others, please specify

2. How are these additional social issues and risks going to be addressed in the project design?

The project will include measures to ensure local communities have opportunities to be employed in project-related civil works, to the extent possible. Due diligence will be conducted during project design to ensure adherence to core labor standards. The project design will include measures to raise public awareness of the risks of HIV/AIDS and other sexually transmitted infections and drugs, prostitution, and human trafficking.

VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA or due diligence process to better analyze (i) poverty and social impact, (ii) gender impact, (iii) participation dimensions, (iv) social safeguards, and (v) other social risks. Are the relevant specialists identified? Yes No As no TRTA is done, due diligence includes poverty and social assessment.

2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social, and/or gender analysis, and participation plan during the transaction TA or due diligence?

Social safeguards and Environment Specialists.

ⁱ Republic of Tajikistan. 2016. *National Development Strategy of the Republic of Tajikistan for the Period up to 2030*. Dushanbe.

ⁱⁱ Asian Development Bank (ADB). 2016. *Country Partnership Strategy: Tajikistan 2016-2020*. Manila.

ⁱⁱⁱ Footnote a.

^{iv} Footnote b - *Poverty Analysis (Summary)*.

^v As cited in EPTISA Servicios de Ingenieria S.L. 2016. *Final Feasibility Report for ADB TA 8647-TAJ: Water Resources Management in Pyanj River Basin (Appendix 14 - Poverty, Social and Gender Assessment)*. Tajikistan.

^{vi} United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), Poverty-Environment Initiative Phase II (PEI). 2016. *Tajikistan Water Public Environmental Expenditure Review*. Dushanbe.

^{vii} Footnote b - *Sector Assessment (Summary): Energy*

^{viii} ADB. 2016. *Tajikistan Country Gender Assessment*. Manila.

^{ix} State Statistics Agency. 2012. *Women and Men of the Republic of Tajikistan*. Dushanbe, as cited in Tajikistan CGA (footnote h).